

TEACHERS' RETIREMENT BOARD
BENEFITS AND SERVICES COMMITTEE

SUBJECT: LEVEL OF SERVICE STANDARDS

ITEM NUMBER: 8

ATTACHMENT(S):

ACTION:

DATE OF MEETING: May 6, 1999

INFORMATION: X

PRESENTERS(S): Mr. Carter

EXECUTIVE SUMMARY

Background

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the administration of the delivery of benefits and services to CalSTRS members. Accordingly, this report covers the degree to which statutory work standards and requirements (i.e., interest payments) are being met, and contains program production objectives, measures and “major initiative” updates. Program specifics are available in the individual reports. Following are the highlights of activity for the month of March 1999.

Highlights

1. Fiscal Year Allowance Roll

CalSTRS paid a total of 158,480 benefit recipients \$258,028,585 in March 1999. The average monthly Allowance Roll for FY 1998/99 is \$256,061,116. Total disbursements for FY 1998/99 are \$2,304,550,047.

2. Processing

- A. Application Volume: The overall volume of incoming applications and notifications received between July 1998 through March 1999 is less than one-half percent greater than the July through March volume for the previous fiscal year.
- B. Initial Payment Processing: The Service Retirement Program met its goal of processing 100 percent of initial payments within 30 days. The Disability Program met its goal of processing 100 percent of initial payments within 10 days.

- C. Final Roll Payments: Service Retirements completed 97 percent of final payments within 45 days of receipt of all necessary information, nearly achieving the 100 percent goal.
- D. Application Processing: Survivor Benefits exceeded their goal of processing 95 percent of all applications within 30 days of receipt of all necessary information. Disability Services met their goal of processing 100 percent of all eligible applications within 180 days of receipt of the application.

3. Services

During an extremely busy month of March, the Public Service Office met one of three service objectives. Technicians answered 90 percent of all calls within three minutes, missing the 95 percent objective by five percent. Staff answered 86 percent of member correspondence within ten days, missing the 90 percent goal. Higher than expected call volumes and staff vacancies jointly contributed to the inability to reach these production objectives. Ninety-eight percent of all technician-assisted calls were answered on first contact, surpassing the goal by three percent. Queue time stayed at an average of 64 seconds. The longest anyone waited in queue was nine minutes.

4. Interest Payments

The total interest payment volume from July 1998 through March 1999, increased 20 percent as compared to July through March of the previous fiscal year. The dollar amount of interest paid decreased seven percent.

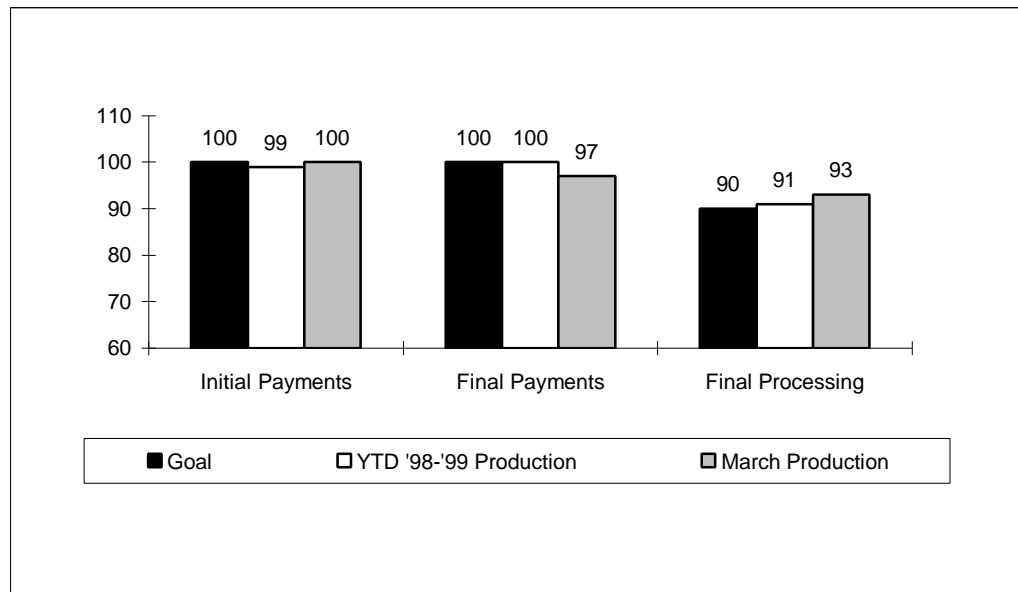
5. Outstanding Survivor Benefit Cases

The Education Code requires a report to the Board on outstanding Survivor Benefit cases not paid within six months of the notification of death. As of March 1999, there were 52 cases exceeding this threshold. In February 1999, there were 114 cases beyond the six-month processing period, while in January 1999, there were 120 cases exceeding the six-month threshold.

SERVICE RETIREMENTS

I. 1998-99 Production Objectives

- A. **Initial Payments:** Process 100 percent of all service retirement application payments within 30 days of the effective date of retirement or receipt of completed application, whichever is later.
- B. **Final Payments:** Complete 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.
- C. **Finalize Processing:** Finalize 90 percent of all service retirement payments within four months of the retirement effective date.



II. Measures

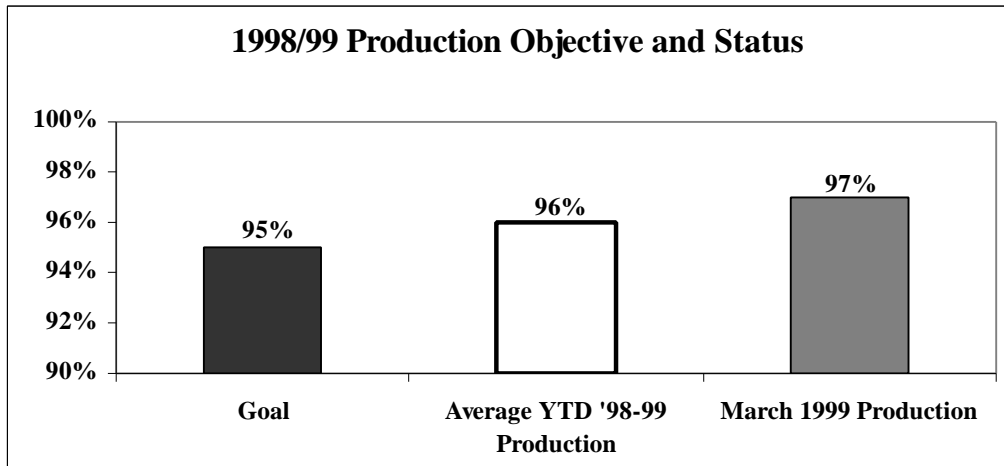
Type	(1) Benchmark 90/91	(2) July – March 97/98	(3) July – March 98/99	% of Change $\frac{(3) - (2)}{(2)}$	March 1999
Retirement Applications	8,167	3,434	3,266	-5%	587
Applications /Months	681	382	363	-5%	-----
Interest Payments (#)	1,070	214	180	-16%	15
Interest Payments (\$\$\$)	\$9,779	\$933	\$429	-54%	\$27
Golden Handshake Districts	529	166	189	14%	27
Golden Handshake Participants	646	218	205	-6%	20

III. Major Initiatives**Retirement Incentives**

- A. One-year Final Compensation:** Since 1990, thirty-five school districts, including five Community College districts, have offered the incentive of one-year final compensation to 341 retired members. During the current fiscal year, no new school districts have chosen to participate in this program.

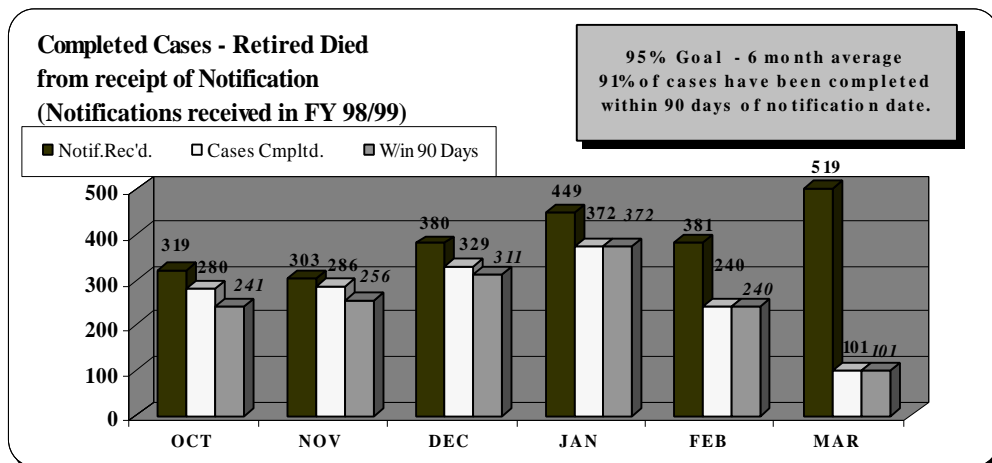
SURVIVOR BENEFITS

- I. **1998-99 Production Objective:** Process 95 percent of all applications within 30 days of receipt of all necessary information.



1998-99 Production Objective: Process 95 percent of all applications for retired members within 90 days of the date of notification.

This chart reflects the notifications received each roll month and the number completed within 90 days of receipt of the death notification.



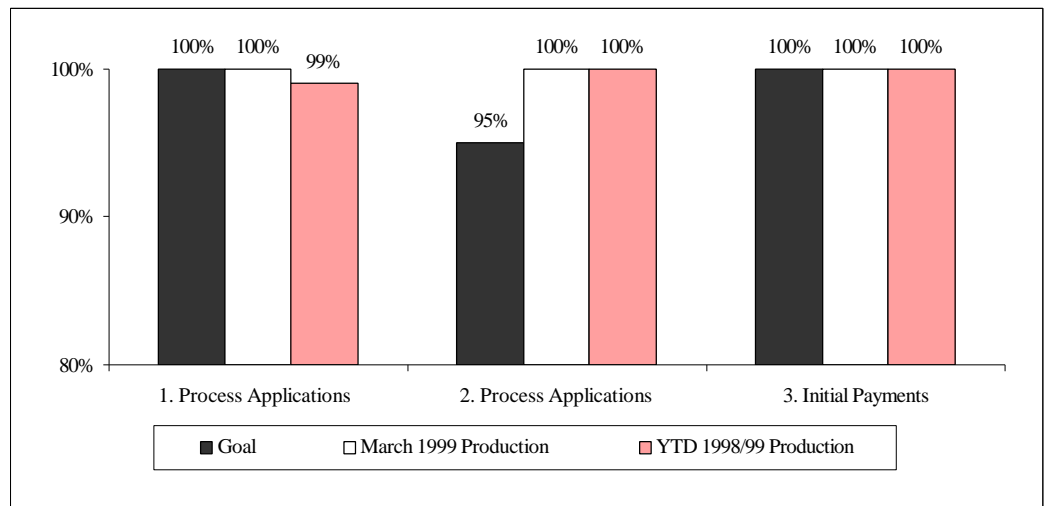
II. Measures

Type	(1) Bench- Mark 90/91	(2) July - March 97/98	(3) July - March 98/99	% of Change (3) - (2) (2)	March 1999
Death Notifications	3,948	3,591	3,814	6%	580
Cases Completed	3,627	3,865	4,132	7%	666
Average Cases Completed Per Month	302	427	458	7%	458
Interest Payments (#)	2,360	134	215	60%	30
Interest Payments (\$)	\$78,252	\$13,028	\$10,894	-16%	\$671

DISABILITY SERVICES

I. 1998-99 Production Objectives

- A. **Disability Application Processing:** Process 100 percent of all disability applications within 180 days of receipt.
- B. **Disability Approval:** Process 95 percent of all approvals with 30 days of receipt of all necessary information.
- C. **Initial Disability Payments:** Process 100 percent of all initial payments within ten working days of receipt of all necessary information.



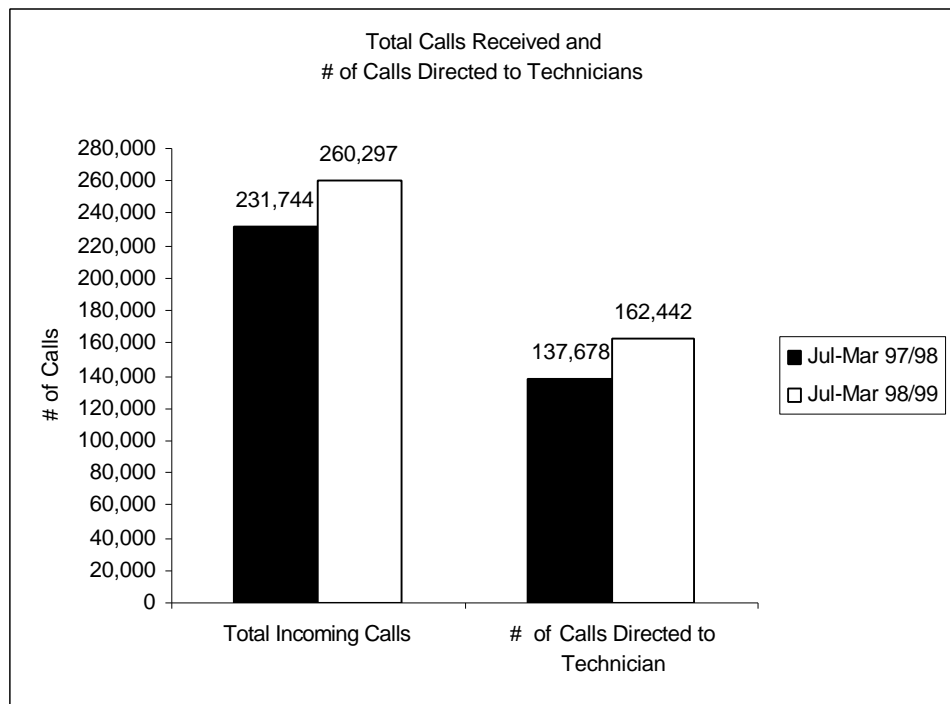
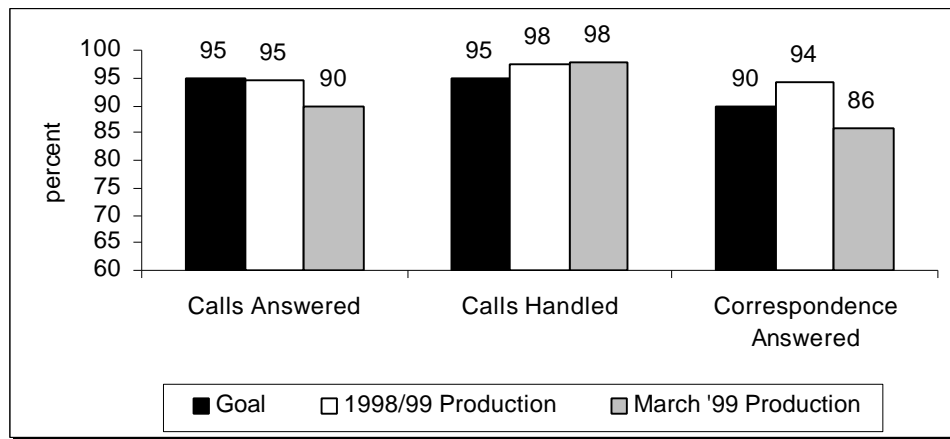
II. Measures

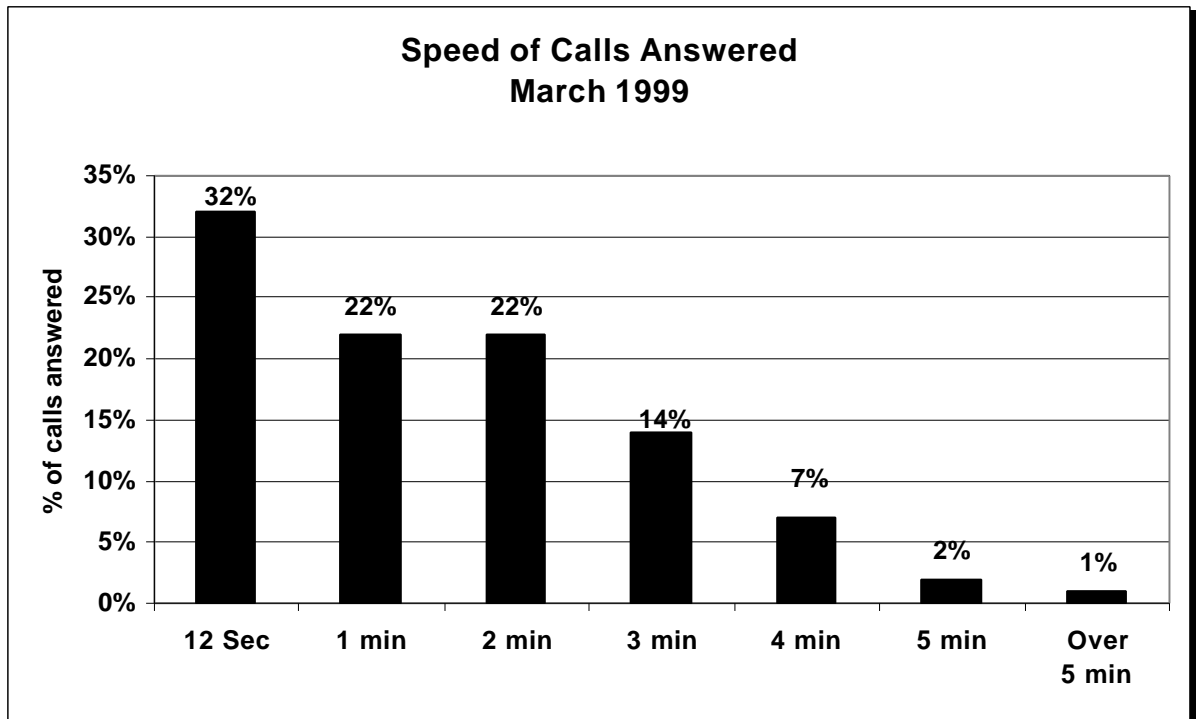
Type	(1) Bench- Mark 1991	(2) July – March 97/98	(3) July - March 98/99	% of Change <u>(3) - (2)</u> (2)	March 1999
Disability Applications	500	414	388	-6%	57
Average Disability Applications Received Per Month	41.6	46	43	-7%	N/A
Continuing Qualifications Roll Removals	24	30	57	116%	3
Rehabilitation Roll Removals	16	22	32	58%	2
Active Rehabilitation Participants	119	134	147	27%	N/A
Independent Medical Exams (#)	632	278	122	-56%	8
Independent Medical Exams (\$)	\$443,020	\$154,661	\$85,642	-41%	\$5,042
Independent Vocational Exams (#)	N/A	898	1048	19%	137
Independent Vocational Exams (\$)	\$405,596	\$358,969	\$367,215	1%	\$40,391
Interest Penalty Payments (#)	6	5	9	NA	0
Interest Penalty Payments (\$)	\$1,405	\$96	\$920	NA	\$0

PUBLIC SERVICE

I. 1998-99 Production Objectives

- A. Answer 95 percent of all calls in less than three minutes.
- B. Handle 95 percent of all calls on the first contact.
- C. Respond to 90 percent of all correspondence in ten working days.





III. Measures

Type	(1) Bench- mark 90/91	(2) July - March 97/98	(3) July - March 98/99	% of Change $\frac{(3) - (2)}{(2)}$	March 1999
Total Incoming Calls	195,858	231,744	260,297	12.32%	35,048
Technician Calls	117,913	137,678	162,442	17.99%	21,100
Automated Attendant Calls	31,895	68,425	68,086	-0.50%	10,698
Teletalk Calls	46,050	33,401	29,769	-10.87%	3,250

III. Major Initiatives

Total call volume increased over twelve percent for the first 9 months of fiscal year 98/99 over the same time period last year. Technician-assisted calls increased 17.99 percent while automation-assisted calls decreased.